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AGRICULTURE AND NATIONAL DEFENSE

FARM EQUIPMENT RATING PLAN EXTENDED: Announcement that the Farm Equipment Rating Plan has been extended to November 30 by OPM means that the new allocation program for farm machinery will not be out of the mill much before December 1. The allocations would make possible the production of 80 percent as much new farm machinery as in 1940. (See October 25 Green Sheet) OPM conservation experts are expected to recommend considerable substitution of more abundant materials for scarce metals like steel or copper in production of farm machinery. For example, OPM might recommend substituting wood for steel wherever feasible. Department's Office of Agricultural Defense Relations will have a chance to review and make recommendations before final decisions are made.

MILKING MACHINE PRIORITIES TO BE SPEEDED: OPM has agreed to speed through priorities so manufacturers can secure critical metals for milking machines. In order to get set for a priority program on dairy processing machinery, OPM has asked the Department for estimates on new machinery needed by processing industry.

NEW PROCESSING AND STORAGE CAPACITY: OPM has agreed to send over applications for construction or expansion of facilities for processing and storing of agricultural commodities to the Department's new project priority committees, composed of experts from various bureaus. Thus Department will have opportunity to make recommendations on such construction or expansion.

PRICE CONTROL: Secretary Wickard outlined the Department's position on price control legislation in a National Radio Forum address. Said the Secretary:

"I think most farmers favor the principle of the original price control bill and I think most of them who are familiar with the subject think the provisions which fix the price ceiling for agricultural products at 110 percent of parity take care of farmers pretty well. One hundred and ten percent of parity will permit the moderate fluctuations necessary for prices to average parity. Parity for farm products is our goal and the bill was drafted with that principle in mind. It goes without saying that I am in accord with that principle. Proposals have been made to raise the proposed ceiling on some farm products to well above 110 percent of parity. These suggestions have been written into the price control bill. I am against these proposals. I am against them for two reasons. First, they would tend to make the bill ineffective. Prices for any product, whether from farm or factory, should not be allowed to go to unreasonable heights. If the bill is to prevent inflation, it must have authority to keep prices from going too high. Second, agriculture stands to lose a lot of good will if people get the idea that farmers are insisting on too much. It has taken us a long time to sell the country on the idea of equality for the farmer. Let's keep it sold. I am also opposed to

the proposal to increase the loan rate on cotton, corn, wheat, rice, and tobacco, the so-called basic commodities, to 100 percent of parity. The loan rate on these commodities now is 85 percent of parity, and I think that is high enough because the payments to farmers cooperating in the farm program are bringing their total return to parity. To raise the loan rate on corn, for example, would raise the price of feed pretty sharply and this would increase the cost of producing milk, eggs, meat, and other foods. In turn, the price of some foods would have to be raised considerably above parity. This would hurt consumers now and farmers later on."

"WAR" GARDENS: Department's views on "war" or "defense" gardens in big cities announced this week. There is no emergency in sight which warrants campaigns to promote big upsurge in number of city gardens. Increases in commercial vegetable acreage expected next year, also big increase in number of farm gardens and supplies should be adequate. SMA spent \$14,000,000 last fiscal year on surplus vegetables and still some left in fields because prices not high enough to cover harvesting and transportation. Secretary said he hoped that there'd be no move to plow up parks and lawns for gardens as in last war. However, Department advocated gardens to supplement surplus commodity supplies for school lunch programs.

FARMERS CAN BUILD SMALL BARNS, ETC.: Farmers do not need to get priorities for ordinary, small farm structures which do not use critical materials. No priorities control on lumber, concrete, stone, brick, glass, nails. Nails will be somewhat short; only about 70 percent of 1940 supply will be on market. A farmer should have no trouble getting materials for chicken house or small barn, but structure using plumbing or central heating equipment, steel, or similar scarce materials would have to be judged essential to defense before OPM would okay it. In other words, it's not wise to plan such structures now.

FARM MACHINERY REPAIR CAMPAIGN: Farmers having trouble getting repair parts should report matter immediately to local USDA Defense Board. Very important that repair parts be ordered as soon as possible.